

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

W.R. GRACE & CO., et al.,

Debtors.

Chapter 11

Case No. 01-1139 (JKF)

Objection Deadline: September 14, 2011 at 4:00 p.m.

Hearing: Schedule if Necessary (Negative Notice)

**NOTICE OF FILING OF SIXTY-SIXTH MONTHLY INTERIM APPLICATION
OF ORRICK, HERRINGTON & SUTCLIFFE LLP,
BANKRUPTCY COUNSEL TO DAVID T. AUSTERN,
ASBESTOS PI FUTURE CLAIMANTS' REPRESENTATIVE**

TO: (1) The Debtors; (2) Counsel to the Debtors; (3) The Office of the United States Trustee; (4) Counsel to the Official Committee of Unsecured Creditors; (5) Counsel to the Official Committee of Asbestos Personal Injury Claimants; (6) Counsel to the Official Committee of Asbestos Property Damage Claimants; (7) Counsel to the Official Committee of Equity Holders; (8) Counsel to the Debtors-in-Possession Lender; and (9) the Fee Auditor

Orrick, Herrington & Sutcliffe LLP, bankruptcy counsel to David T. Austern, Asbestos PI Future Claimants' Representative (the "FCR"), has filed and served its Sixty-Sixth Monthly Application of Orrick, Herrington & Sutcliffe LLP for Compensation for Services Rendered and Reimbursement of Expenses as bankruptcy counsel to the FCR for the time period July 1, 2011 through July 31, 2011, seeking payment of fees in the amount of \$146,644.40 (80% of \$183,305.50) and expenses in the amount of \$2,125.45, for a total amount of \$148,769.85 (the "Application").

This Application is submitted pursuant to the Administrative Order Under 11 U.S.C. §§ 105(a) and 331 Establishing Procedures for Interim Compensation and Reimbursement for Expenses for Professionals and Official Committee Members signed May 15, 2010, amending

the Court's Administrative Order Pursuant to Sections 105(a) and 331 of the Bankruptcy Code Establishing Procedures for Allowance and Payment of Monthly Interim Compensation and Reimbursement of Expenses of Professionals, entered May 3, 2001 (collectively, the "Administrative Order").

Objections or responses to the Application, if any, must be made in writing and filed with the United States Bankruptcy Court for the District of Delaware, Marine Midland Plaza, 824 Market Street, Fifth Floor, Wilmington, DE 19801, on or before **September 14, 2011 at 4:00 P.M., Eastern Time.**

At the same time you must also serve a copy of the objections or responses, if any, upon the following: (i) co-counsel to David T. Austern, FCR, Roger Frankel, Esquire and Richard H. Wyron, Esquire, Orrick, Herrington & Sutcliffe LLP, 1152 15th Street, NW, Washington, DC 20005 and John C. Phillips, Esquire, Phillips, Goldman & Spence, P.A., 1200 North Broom Street, Wilmington, DE 19806; (ii) co-counsel for the Debtors, John Donley, Esquire, and Adam Paul, Esquire, Kirkland & Ellis, LLP, 300 North LaSalle, Chicago, IL 60654 and Laura Davis Jones, Esquire, Pachulski Stang Ziehl & Jones LLP, 919 North Market Street, Suite 1600, P.O. Box 8705, Wilmington, DE 19899-8705; (iii) co-counsel to the Official Committee of Unsecured Creditors, Lewis Kruger, Esquire, Stroock & Stroock & Lavan LLP, 180 Maiden Lane, New York, NY 10038-4982 and Michael R. Lastowski, Esquire, Duane Morris, LLP, 222 Delaware Avenue, Suite 1600, Wilmington, DE 19801; (iv) co-counsel to the Official Committee of Asbestos Property Damage Claimants, Scott L. Baena, Esquire, Bilzin, Sumberg, Baena, Price & Axelrod, First Union Financial Center, 200 South Biscayne Boulevard, Suite 2500, Miami, FL 33131 and Michael B. Joseph, Esquire, Ferry & Joseph, P.A., 824 Market

Street, Suite 904, P.O. Box 1351, Wilmington, DE 19899; (v) co-counsel to the Official Committee of Asbestos Personal Injury Claimants, Elihu Inselbuch, Esquire, Caplin & Drysdale, 399 Park Avenue, 36th Floor, New York, NY 10022 and Mark Hurford, Esquire, Campbell & Levine, LLC, Chase Manhattan Centre, 15th Floor, 1201 Market Street, Suite 1500, Wilmington, DE 19801; (vi) co-counsel to the DIP Lender, J. Douglas Bacon, Esquire, Latham & Watkins, Sears Tower, Suite 5800, Chicago, IL 60606 and Neil B. Glassman, Esquire, The Bayard Firm, 222 Delaware Avenue, Suite 900, P.O. Box 25130, Wilmington, DE 19899; (vii) counsel to the Official Committee of Equity Holders, Thomas Moers Mayer, Esquire, Kramer Levin Naftalis & Frankel LLP, 919 Third Avenue, New York, NY 10022; (viii) the Office of the United States Trustee, ATTN: David M. Klauder, Esquire, 844 N. King Street, Suite 2207, Lockbox 35, Wilmington, DE 19801; and (ix) the Fee Auditor, Warren H. Smith, Warren H. Smith and Associates, Republic Center, 325 N. St. Paul, Suite 1250, Dallas, TX 75201.

Any questions regarding this Notice or attachments may be directed to undersigned counsel.

ORRICK, HERRINGTON & SUTCLIFFE LLP

Dated: August 25, 2011

By: /S/ RICHARD H. WYRON

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Richard H. Wyron, admitted *pro hac vice*
Debra L. Felder, admitted *pro hac vice*
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—and—

PHILLIPS, GOLDMAN & SPENCE, P.A.
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*Co-Counsel to David T. Austern,
Asbestos PI Future Claimants' Representative*

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**COVER SHEET TO SIXTY-SIXTH MONTHLY INTERIM APPLICATION OF
ORRICK, HERRINGTON & SUTCLIFFE LLP, BANKRUPTCY COUNSEL
TO DAVID T. AUSTERN, ASBESTOS PI FUTURE CLAIMANTS' REPRESENTATIVE, FOR
COMPENSATION FOR SERVICES RENDERED AND REIMBURSEMENT OF
EXPENSES FOR THE TIME PERIOD JULY 1, 2011 THROUGH JULY 31, 2011**

Name of Applicant:	Orrick, Herrington & Sutcliffe LLP ("Orrick")
Authorized to Provide Professional Services to:	David T. Austern, Asbestos PI Future Claimants' Representative (the "FCR")
Date of Retention:	As of February 6, 2006 pursuant to Order entered by Court on May 8, 2006
Period for which compensation is sought:	July 1, 2011 through July 31, 2011
Amount of Compensation (100%) sought as actual, reasonable, and necessary:	\$183,305.50
80% of fees to be paid:	\$146,644.40
Amount of Expense Reimbursement sought as actual, reasonable and necessary:	\$ 2,125.45
Total Fees @ 80% and 100% Expenses:	\$148,769.85

This is an: _____ interim X monthly _____ final application.

The total time expended for fee application preparation during this time period is 6.90 hours and the corresponding fees are \$2,650.00 and no expenses for Orrick's fee applications and 3.20 hours and \$1,152.00 in fees and \$0.00 in expenses for the FCR and/or his other professionals' fee applications. Any additional time spent for these matters will be requested in subsequent monthly interim applications.

This is Orrick's Sixty-Sixth interim fee application for the period July 1-31, 2011. Orrick has previously filed with the Court the following interim fee applications since January 1, 2010:

<u>Interim Period</u>	<u>Fees @ 100%</u>	<u>Fees @ 80%</u>	<u>Expenses @ 100%</u>	<u>Total Fees @ 80% & 100% Expenses</u>
Forty-Eighth Interim Period Jan 1-31, 2010	\$356,994.00	\$285,595.20	\$16,727.02	\$302,322.22
Forty-Ninth Interim Period Feb 1-28, 2010	\$244,555.50	\$195,644.40	\$3,385.55	\$199,029.95
Fiftieth Interim Period March 1-31, 2010	\$348,228.50	\$278,582.80	\$10,152.39	\$288,735.19
Fifty-First Interim Period April 1-30, 2010	\$240,868.50	\$192,694.80	\$1,322.52	\$194,017.32
Fifty-Second Interim Period May 1-31, 2010	\$200,003.00	\$160,002.40	\$24,037.53	\$184,039.93
Fifty-Third Interim Period June 1-30, 2010	\$199,375.50	\$159,500.40	\$2,725.29	\$162,225.69
Fifty-Fourth Interim Period July 1-31, 2010	\$102,061.00	\$81,648.80	\$2,012.57	\$83,661.37
Fifty-Fifth Interim Period August 1-31, 2010	\$103,977.50	\$83,182.00	\$1,360.83	\$84,542.83
Fifty-Sixth Interim Period Sept 1-30, 2010	\$114,988.00	\$91,990.40	\$1,017.07	\$93,007.47
Fifty-Seventh Interim Period October 1-31, 2010	\$81,448.50	\$65,158.80	\$553.35	\$65,712.15
Fifty-Eighth Interim Period November 1-30, 2010	\$90,305.50	\$72,244.40	\$1,240.49	\$73,484.89
Fifty-Ninth Interim Period December 1-31, 2010	\$131,470.7	\$105,176.60	\$2,190.83	\$107,367.43
Sixtieth Interim Period January 1-31, 2011	\$142,974.50	\$114,379.60	\$6,115.18	\$120,494.78
Sixty-First Interim Period February 1-28, 2011	\$195,201.25	\$156,161.00	\$3,054.18	\$159,215.18
Sixty-Second Interim Period March 1-31, 2011	\$141,980.50	\$113,584.40	\$5,731.66	\$119,316.06
Sixty-Third Interim Period April 1-30, 2011	\$154,351.50	\$123,481.20	\$2,133.98	\$125,615.18
Sixty-Fourth Interim Period May 1-31, 2011	\$291,949.00	\$233,559.20	\$2,719.72	\$236,278.92
Sixty-Fifth Interim Period June 1-30, 2011	\$264,461.50	\$211,569.20	\$1,596.62	\$213,165.82

To date, Orrick has received payments* since its January 2010 statement from the Debtors in the following amounts:

- \$302,322.22 representing 80% of fees and 100% of expenses for January 2010
- \$199,029.95 representing 80% of fees and 100% of expenses for February 2010
- \$288,605.58 representing 80% of fees and 100% of expenses for March 2010
- \$218,211.95 representing 20% holdback fees for October-December 2009
- \$193,909.32 representing 80% of fees and 100% of expenses for April 2010
- \$184,039.93 representing 80% of fees and 100% of expenses for May 2010
- \$188,938.60 representing 20% holdback fees for January 1-March 31, 2010
- \$162,225.69 representing 80% of fees and 100% of expenses for June 2010
- \$ 83,661.37 representing 80% of fees and 100% of expenses for July 2010
- \$ 84,542.83 representing 80% of fees and 100% of expenses for August 2010

- \$ 93,007.47 representing 80% of fees and 100% of expenses for September 2010
- \$113,523.63 representing 20% holdback fees for April 1-June 30, 2010
- \$ 65,712.15 representing 80% of fees and 100% of expenses for October 2010
- \$ 73,484.89 representing 80% of fees and 100% of expenses for November 2010
- \$107,367.43 representing 80% of fees and 100% of expenses for December 2010
- \$120,494.78 representing 80% of fees and 100% of expenses for January 2011
- \$ 64,205.30 representing 20% holdback fees for July 1-September 30, 2010
- \$159,215.18 representing 80% of fees and 100% of expenses for February 2011
- \$119,316.06 representing 80% of fees and 100% of expenses for March 2011
- \$125,615.18 representing 80% of fees and 100% of expenses for April 2011
- \$236,278.92 representing 80% of fees and 100% of expenses for May 2011

* Note: This list reflects payments received by Orrick as of August 24, 2011.

COMPENSATION SUMMARY

JULY 1-31, 2011

<u>Name of Professional Person</u>	<u>Position of Applicant, No. of Years in Position, Prior Relevant Experience, Yr. Obtained License to Practice, Area of Expertise</u>	<u>Hourly Billing Rate</u>	<u>Total Billed Hours</u>	<u>Total Fees</u>
Roger Frankel	Partner, 28 years in position; 40 years relevant experience; 1971, Restructuring	\$985	86.80	\$85,498.00
Peri N. Mahaley	Of Counsel, 19 years in position; 32 years relevant experience; 1979, Litigation	\$650	8.40	\$5,460.00
Robert F. Lawrence	Partner, 14 years in position; 28 years relevant experience; 1983, Real Estate	\$750	6.00	\$4,500.00
Mary A. Wallace	Of Counsel, 7 years in position; 22 years relevant experience; 1989; Restructuring	\$710	13.50	\$9,585.00
Richard H. Wyron	Partner, 22 years in position; 32 years relevant experience; 1979, Restructuring	\$850	66.20	\$56,270.00

<u>Name of Professional Person</u>	<u>Position of Applicant, No. of Years in Position, Prior Relevant Experience, Yr. Obtained License to Practice, Area of Expertise</u>	<u>Hourly Billing Rate</u>	<u>Total Billed Hours</u>	<u>Total Fees</u>
Debra L. Felder	Senior Associate, 9 years in position; 9 years relevant experience; 2002, Restructuring	\$645	27.50	\$17,737.50
Inessa M. Mirkin	Associate, 2 years in position; 2 years relevant experience; 2009, Litigation	\$355	3.70	\$1,313.50
Debra O. Fullem	Bankruptcy Research Specialist	\$265	11.10	\$2,941.50
TOTAL			223.20	\$183,305.50
Blended Rate: \$821.26				

COMPENSATION BY PROJECT CATEGORY
JULY 1-31, 2011

<u>Project Category</u>	<u>Total Hours</u>	<u>Total Fees</u>
Due Diligence	75.20	\$65,112.50
Compensation of Professionals—Other	3.20	\$1,152.00
Compensation of Professionals—Orrick	6.90	\$2,650.00
Insurance	12.10	\$6,773.50
Litigation	125.80	\$107,617.50
TOTAL	223.20	\$183,305.50

EXPENSE SUMMARY
JULY 1-31, 2011

<u>Expense Category</u>	<u>Total</u>
Express Delivery	\$26.39
Duplicating	\$258.19
Meals	\$117.51
Pacer	\$8.72
Parking	\$29.00
Taxi	\$26.00
Travel - Local	\$1,012.00
Westlaw	\$647.64
TOTAL	\$2,125.45

Orrick's Client Charges and Disbursements Policy effective January 1, 2011, is as follows:

- a. ***Duplicating*** -- It is Orrick's practice to charge all clients of the Firm for duplicating at the in-house rate of 20¢ per page; however, Orrick has reduced the duplicating cost to 10¢ per page in order to comply with the Local Rules of this Court. This charge includes the cost of maintaining the duplicating facilities and the actual cost involved with respect to the duplication. Color copies are charged at \$1.25 per page.
- b. ***Long Distance Telephone and Facsimile Charges*** -- Orrick charges clients for long distance telephone calls but not for local telephone calls. Necessary mobile phone usage is reimbursed to professionals submitting an appropriate bill. Out-going facsimile transmissions are charged at \$1.00 per page, plus any long-distance calling cost, and there is no charge for incoming facsimiles.
- c. ***Messenger and Courier Service*** -- It is Orrick's practice to use Federal Express or similar express mail delivery and third-party messenger services only in exigent circumstances (i.e., when needed to meet a deadline or when a next-day response from the recipient was necessary or beneficial to the case) and only when less costly than other available alternatives.
- d. ***Overtime*** -- It is Orrick's practice to allow staff and certain paraprofessionals in its Washington D.C. office working more than 3 hours of overtime to charge a meal to the appropriate client at a meal charge of up to \$7.50. It is Orrick's practice to allow professionals and support staff to charge a car service or cab to the appropriate client when working at least 2 hours of overtime. Orrick endeavored not to incur overtime charges unless necessary to benefit the case and in certain exigent circumstances. Orrick generally utilizes secretarial assistance in connection with monitoring and updating case dockets and downloading, circulating and printing of pleadings filed in the case. Thus, certain charges may be incurred by secretaries for overtime. (Note: These charges are at rates less than that charged by Orrick paralegals or other professional staff who may have otherwise performed this type of work.)

e. ***Computerized Research*** -- It is Orrick's practice to use computer-assisted legal research when it is efficient to do so. Use of fee based internet research services is charged at Orrick's cost.

Respectfully submitted,

ORRICK, HERRINGTON & SUTCLIFFE LLP

By: /S/ RICHARD H. WYRON

Roger Frankel, admitted *pro hac vice*

Richard H. Wyron, admitted *pro hac vice*

Debra L. Felder, admitted *pro hac vice*

Columbia Center

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(202) 339-8400

Counsel to David T. Austern,

Asbestos PI Future Claimants' Representative

Dated: August 25, 2011

CERTIFICATE OF SERVICE

I, DEBRA O. FULLEM do hereby certify that I am over the age of 18, and that on August 25, 2011, I caused the *Notice, Cover Sheet to Sixty-Sixth Monthly Interim Application of Orrick, Herrington & Sutcliffe LLP, Bankruptcy Counsel to David T. Austern, Asbestos PI Future Claimants' Representative for Compensation for Services Rendered and Reimbursement of Expenses for the Time Period July 1, 2011 through July 31, 2011*, to be served upon those persons as shown below in the manner set forth therein.

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James E. O'Neil, Esquire
Pachulski Stang Ziehl & Jones LLP

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Kramer Levin Naftalis & Frankel LLP

/S/ DEBRA O. FULLEM
Debra O. Fullem
Orrick, Herrington & Sutcliffe LLP

EXHIBIT A
ORRICK, HERRINGTON & SUTCLIFFE LLP
INVOICES FOR THE TIME PERIOD
JULY 1-31, 2011